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Paul to Speak on Financial Privacy at Seminar

Washington, D.C.- Congressman Ron Paul has accepted an invitation to speak on financial privacy issues at a seminar sponsored by the Heritage Foundation. The seminar, entitled *Tax competition, Financial Privacy, and the OECD: What You Don't Know May Hurt You*, will take place Friday, September 8, between noon and 1:30 PM at the Capitol Hill Club. Dr. Paul, a member of the House Banking committee, is known for leading the fight on Capitol Hill against legislative assaults on consumer financial privacy. In 1998, Paul was instrumental in generating opposition to proposed "Know Your Customer" regulations. The regulations would have forced U.S. banks to profile their customers, monitor transactions, and report "suspicious" activity to Treasury department criminal investigators. Administration officials received over 300,000 angry emails as the result of efforts by Dr. Paul and other privacy advocates. Ultimately, "Know Your Customer" was abandoned by the administration after the Senate voted unanimously to reject the regulations. Unfortunately, legislation that would impose similar regulations recently has been introduced. H.R. 3886, the "International Counter Money Laundering Act," is essentially an international version of "Know Your Customer." The bill would allow the Treasury department to force U.S. financial institutions to report on their customers' international transactions. Federal regulators would be given greater access to personal financial records, without judicial review or any showing that a crime had been committed. The bill would cede almost total authority to the executive branch, enabling Congress to shirk its constitutional responsibility to address the money laundering issue legislatively. "This legislation will further erode protections for consumer financial privacy," Paul stated. "The administration's previous attempt to impose these regulations met with overwhelming public opposition, but now regulators want to establish the same rules for international transactions. Once such regulations are in place, they could be broadened and applied to U.S. citizens domestically." Paul plans to discuss H.R. 3886 and its implications for consumers, banks, and privacy advocates. Other speakers include Dan Mitchell of the Heritage Foundation, Sir Courtney Blackman (Ambassador from Barbados), and Declan McCullagh of *Wired* magazine.